



TINA KOTEK
GOVERNOR

March 29, 2023

The Honorable Rob Wagner
President of the Senate
S-201 State Capitol
Salem, OR 97301

The Honorable Dan Rayfield
Speaker of the House
H-269 State Capitol
Salem, OR 97301

RE: House Bill 2001

Dear President Wagner and Speaker Rayfield,

First, I want to commend you for the incredible work to develop and pass the bipartisan Affordable Housing Response Package. This package clearly demonstrates the legislature's commitment to addressing unsheltered homelessness and the affordable housing emergency in the state.

Regarding House Bill 2001, I understand you are committed to addressing some technical issues in the legislation later in the session, and I would like to specifically call your attention to the following needed changes:

1. Oregon Housing Needs Analysis (Sections 1-41):

- a. The respective roles of the State and Metro need to be clarified as it relates to the allocation of housing need and housing production targets to jurisdictions within the Metro region. I understand that Chair Dexter is leading the work to get this language fixed.
- b. The income levels of the housing production targets that local jurisdictions receive should align with the income levels at which the Oregon Housing Needs Analysis estimates and allocates need. The income categories are not currently aligned across allocations of need and allocations of housing production targets. Consistency here will be important.
- c. Other minor technical fixes are needed, and it is my understanding that Chair Dexter is leading a process to identify needed changes with the support of the Department of Land Conservation and Development. I support and appreciate this effort.

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2. Modular Housing Funding (Section 46-49) and Moderate Income Housing Predevelopment Loan Program (Section 50-53b)

- a. The legislation names Oregon Housing and Community Services (OHCS) as the administrator of the modular housing component, which I support. The advisory committee in earlier versions of the bill no longer seems needed given OHCS' role in administration. Additionally, the Moderate Income Housing Predevelopment Loan Program would be better administered by OHCS, not the Oregon Facilities Authority. OHCS has the expertise to operate this program.

3. Agricultural Workforce Housing Grants (sections 67-69)

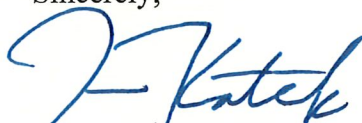
- a. The legislation excludes H2A and H2B farms. This decision will result in the exclusion of agricultural workforce housing on these farm types even if those facilities also need health and safety upgrades in alignment with new OHSA rules. To include these farm types would be a policy change, and I want to make sure the legislature is aware of the impact of this exclusion.
- b. It is my understanding that the intent of this program is to provide resources to implement health and safety improvements after OSHA's agricultural labor housing rules are issued. To ensure administration is as effective as possible, the sunset needs to be eliminated, it should be clarified that grant funds should be awarded after the new rules are issued, and the definition of "existing housing" should be clarified.

4. Emergency Use Appropriations (Section 70)

- a. It is important to clarify that the authority granted in this section is at the Governor's direction.

I applaud the early bipartisan work on homelessness and housing, and appreciate the agreement to work on the identified technical and administrative issues this session. I look forward to working with you on additional investments and policies that will help us meet the housing needs in communities across Oregon.

Sincerely,



Governor Tina Kotek

TK:smg